



MISSION

It is our mission to deliver quality healthcare to the residents of and visitors to Big Bear Valley through the most effective use of available resources.

VISION

To be the premier provider of emergency medical and healthcare services in our Big Bear Valley.

**NOTICE AND CALL OF A
BOARD OF DIRECTORS
SPECIAL FINANCE COMMITTEE MEETING**

Tuesday, February 11, 2020

12:00 p.m. Closed Session @ Hospital Conference Room

12:30 p.m. Open Session @ Hospital Conference Room

41870 Garstin Drive, Big Bear Lake, Ca. 92315

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors, Finance Committee of the Bear Valley Community Healthcare District will be held on Tuesday, February 11, 2020. Closed Session beginning at 12:00 p.m. and Open Session beginning at 12:30 p.m. A copy of the agenda is attached hereto.

Dated: February 6, 2020

A handwritten signature in black ink that reads "Shelly Egerer".

Shelly Egerer
Executive Assistant



**BOARD OF DIRECTORS
SPECIAL FINANCE COMMITTEE MEETING AGENDA
TUESDAY, FEBRUARY 11, 2020**

12:00 PM – CLOSED SESSION @ HOSPITAL CONFERENCE ROOM

12:30 PM – OPEN SESSION @ HOSPITAL CONFERENCE ROOM

41870 GARSTIN DRIVE, BIG BEAR LAKE, CA. 92315

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

OPEN SESSION

1. **CALL TO ORDER** **Perri Melnick, Treasurer**
2. **ROLL CALL** **Shelly Egerer, Executive Assistant**
3. **ADOPTION OF AGENDA***
4. **PUBLIC FORUM FOR CLOSED SESSION**
Opportunity for members of the public to address the Committee on Closed Session items.
(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)
5. **ADJOURN TO CLOSED SESSION***

CLOSED SESSION

1. **REAL PROPERTY NEGOTIATIONS: *Government Code Section 54956.8/TRADE SECRETS: *Pursuant to Health and Safety Code Section 32106 and Civil Code Section 34266.1**
A. **Property Acquisition** **(Anticipated Disclosure 02/11/2020)**

OPEN SESSION

1. **CALL TO ORDER** **Perri Melnick, Treasurer**
2. **RESULTS OF CLOSED SESSION*** **Perri Melnick, Treasurer**
3. **PUBLIC FORUM FOR OPEN SESSION**
Opportunity for members of the public to address the Committee on Open Session items.
(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

4. DIRECTORS COMMENTS

5. APPROVAL OF MINUTES

A. December 09, 2019

6. OLD BUSINESS*

- None

7. NEW BUSINESS*

- None

8. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS*

A. December 2019

B. CFO Report

- Budget Preparation Plan
- District Credit Card Limit
- CMS Proposed Rule
- Pricing Transparency Issue - Update

9. ADJOURNMENT*

*** Denotes Actions Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
SPECIAL FINANCE COMMITTEE MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, CA 92315
December 09, 2019**

MEMBERS Donna Nicely, Treasurer
PRESENT: Peter Boss, M.D., President
John Friel, CEO

Garth Hamblin, CFO
Shelly Egerer, Exec. Asst.

STAFF: Kerri Jex

Mary Norman

**COMMUNITY
MEMBERS:** None

ABSENT: None

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 2:00 p.m.

2. ROLL CALL:

Donna Nicely and Peter Boss, M.D. were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

3. ADOPTION OF AGENDA:

Board Member Nicely motioned to adopt the December 09, 2019 Finance Committee Meeting Agenda as presented. Second by President Boss to adopt the December 09, 2019 Finance Committee Meeting Agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Closed Session items at 2:00 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 2:00 p.m.

2. ADJOURN TO CLOSED SESSION:

Board Member Nicely motioned to adjourn to Closed Session at 2:01 p.m. Second by President Boss to adjourn to Closed Session at 2:01 p.m. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 2:30 p.m.

2. RESULTS OF CLOSED SESSION:

Board Member Nicely stated there was no reportable action from Closed Session.

3. PUBLIC FORUM FOR OPEN SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Open Session items at 2:30 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 2:30 p.m.

4. DIRECTOR'S COMMENTS:

- None

5. APPROVAL OF MINUTES:

A. October 01, 2019

Board Member Nicely motioned to approve October 01, 2019 minutes as presented. Second by President Boss to approve the October 01, 2019 minutes as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

6. OLD BUSINESS:

- None

7. NEW BUSINESS*

A. Discussion and Potential Recommendation to the Board of Directors of the Fiscal Year 2019 Audited Financial Report:

- Mr. Hamblin reported the following information:
 - Draft Audited Financial Statement will be presented by Jerrald Tucker w/JWT at the December Business Board Meeting
 - Audited financial statement stays in draft form until the Board of Directors approve the document
 - Net accounts receivable went down which caused current assets to decrease
 - TruBridge continues to monitor our unqualified opinion

Board Member Nicely motioned to recommend to the Board of Directors the Fiscal Year 2019 Audited Financial Statement. Second by President Boss to recommend to the Board of Directors the Fiscal Year 2019 Audited Financial Statement. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

B. Discussion and Potential Recommendation to the Board of Directors of the Fiscal Year 2019 Medicare Cost Report:

- Mr. Hamblin reported that information from the Audited Financial Statement is used to complete the Annual Medicare Cost Report.

- Receivable from \$186, 000 from Medicare

Board Member Nicely motioned to recommend to the Board of Directors the Fiscal Year 2019 Medicare Cost Report. Second by President Boss to recommend to the Board of Directors the Fiscal Year 2019 Medicare Cost Report. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss - yes

8. PRESENTATION AND REVIEW OF FINACIAL STATEMENTS*

A. October 2019 Finances:

- Mr. Hamblin reported the following information:
 - \$2.8 million days cash on hand
 - Surplus of \$197,151
 - Total patient revenue was over by 0.8%
 - Expenses are over due to the gas line leak
 - YTD operations are over budget
 - SNF census is 14
 - Surplus of \$1,120,549 is \$185,539 more than budget, and \$664,162 more than the first four months of last year
 - Clinic and dental visits have decreased in patient visits
 - COH has been going through some staff transitions
 - No shows at the clinic
- Ms. Jex reported that staff continues to try to get more patients and that the DON and CNO will be visiting hospitals in our area to inform of services we offer and try to bring the census up. Mailers are to be sent to the senior community, potential to have an open house and lunch at the senior center.

B. CFO Report:

- Mr. Hamblin reported the following information:
 - Continue to work closely with TruBridge; would like to be under 60 days
 - FTE Report:
 - Overall, we have 16 out of 30 departments that are under budget
 - Made changes through attrition
 - HIM department is staffed with lower FTE
 - Acute is full staff (when we are low census we staff accordingly)
 - SNF when we have 13 patients is when we flex
 - Positions are being looked at with staffing and if there is a way to reduce staff
 - ER staffing will be looked at; house supervisors are included in the SNF and ER
 - Laboratory is staffed appropriately; is open 24 hours a day seven days a week
 - EVS and Admitting are being reviewed
 - HR will decrease, one HR employee resigned
 - Dietary department received a resignation and will only hire as a .5 in lieu of a full-time position
- Dietary manager is due to begin December 23

- IT Strategic Plan Update
 - Continuing to view plan and moving forward
 - Highly successful in areas of improvement
 - HIPAA work group has been formed and meets
- IT Cyber Security Insurance
 - Continue to evaluate cyber insurance
 - Premiums are quite high and looking for appropriate insurance and cost
 - At this time, we do not have Cyber Insurance
- Policy & Procedure Department Update
 - IT, Purchasing, HIM, Accounting, Patient Accounting, Patient Access
 - IT policies are being developed and under review
 - Admitting policies are under review
 - HIM policies will be reviewed by the Policy & Procedure Committee

Board Member Nicely motioned to approve the October 2019 Finance Report and CFO Report as presented. Second by Board Member Boss to approve the October 2019 Finance Report and CFO Report as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

9. ADJOURNMENT*

Board Member Nicely motioned to adjourn the meeting at 3:25 p.m. Second by President Boss to adjourn the meeting. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

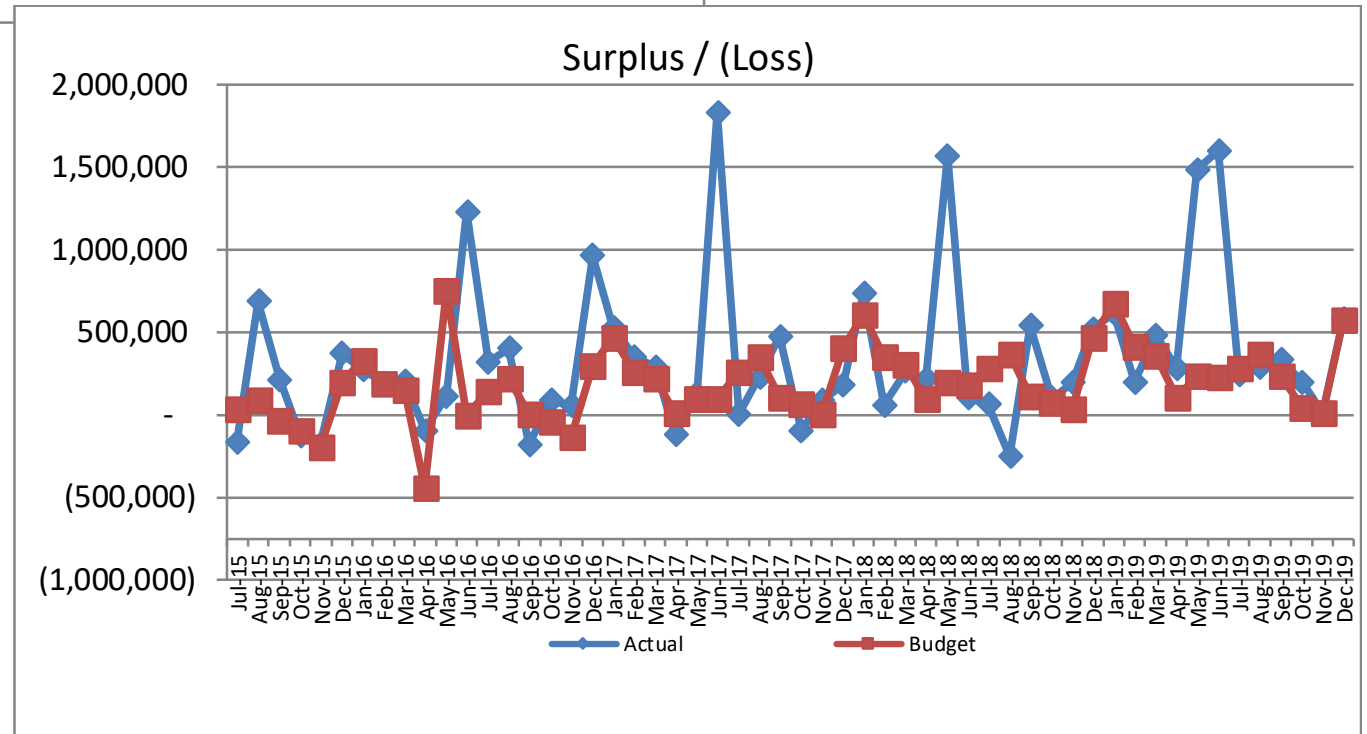
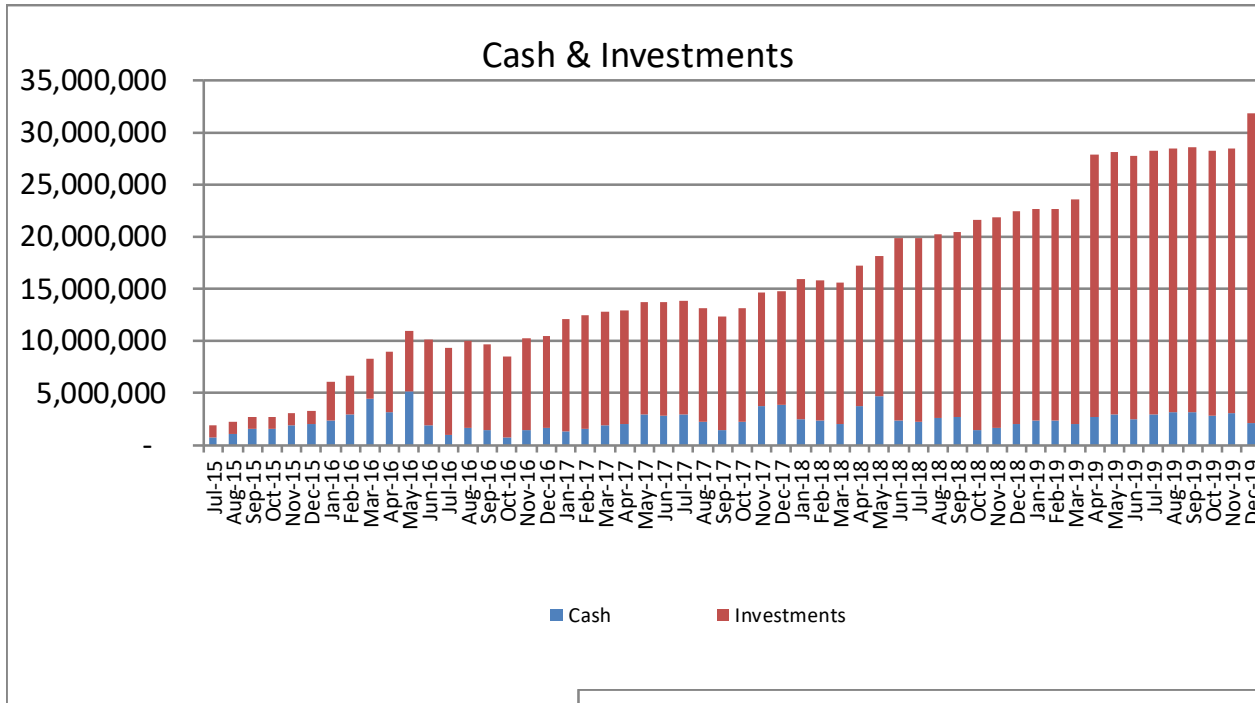
- Board Member Nicely- yes
- President Boss- yes



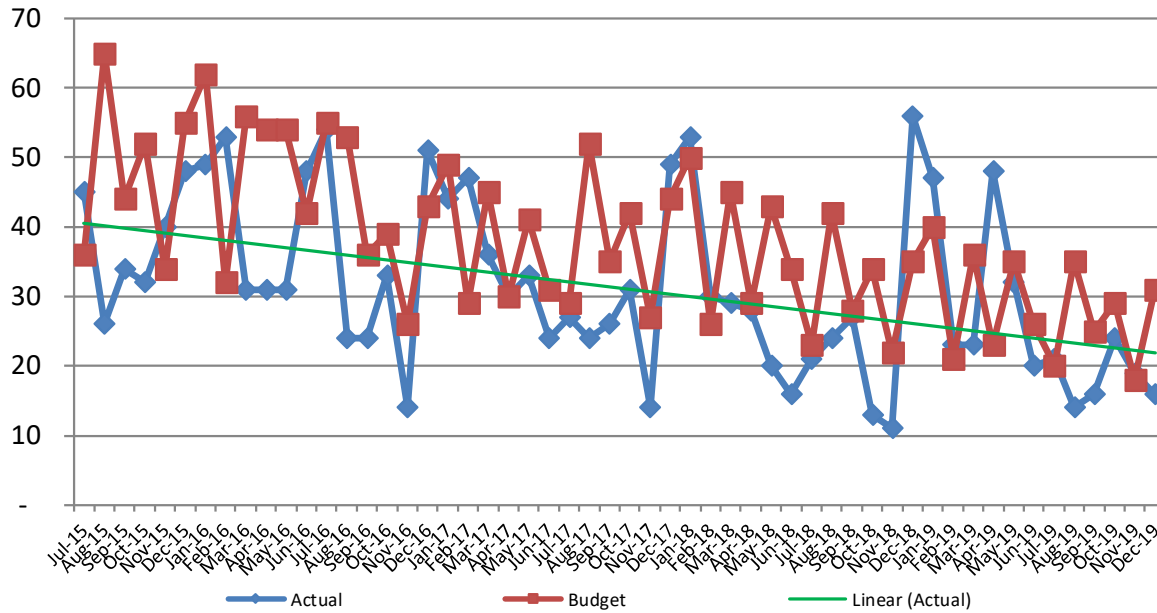
Finance Report
December 2019 Results

Summary for December 2019

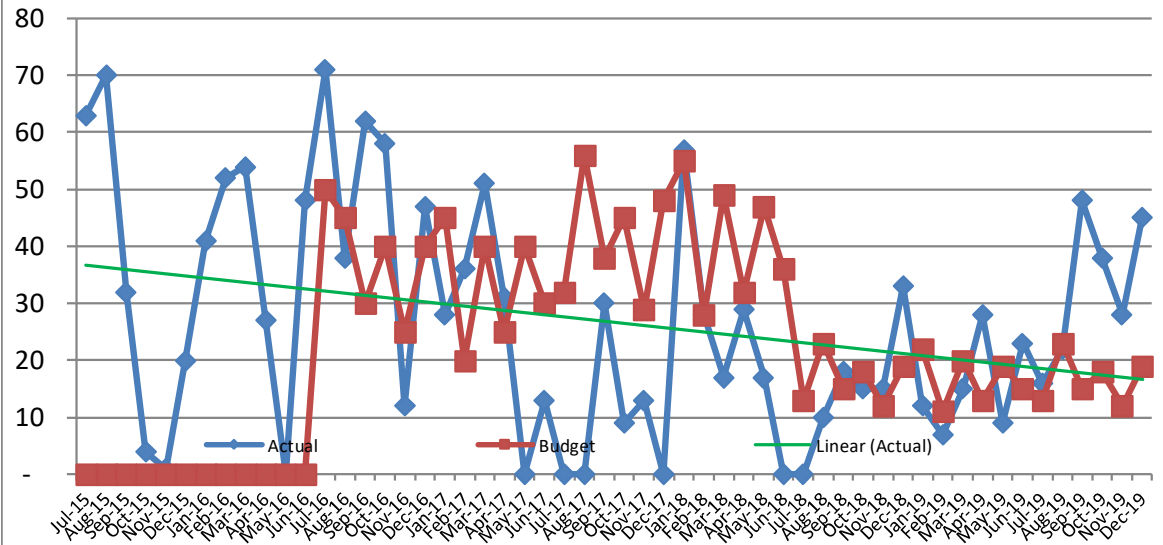
- Cash on hand \$ 2,131,639
Investments \$27,602,939
- Days Cash on hand, including investments with LAIF – 434
- Surplus of \$586,082 for the month was over budget by \$8,732
- Total Patient Revenue was under Budget by 2.7% for the month
- Net Patient Revenue was 0.9% over budget.
- Total Expenses were 2.0% higher than budget

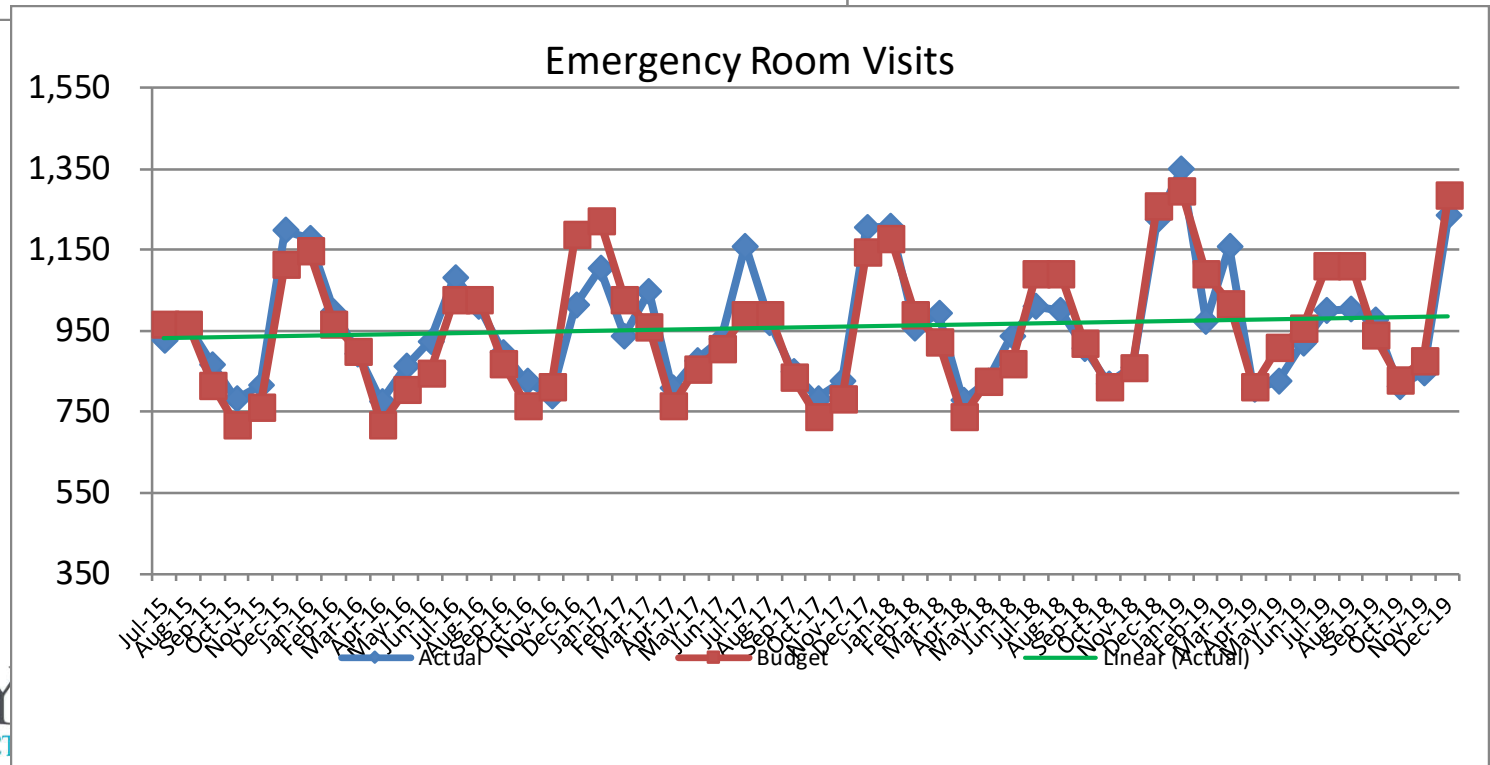
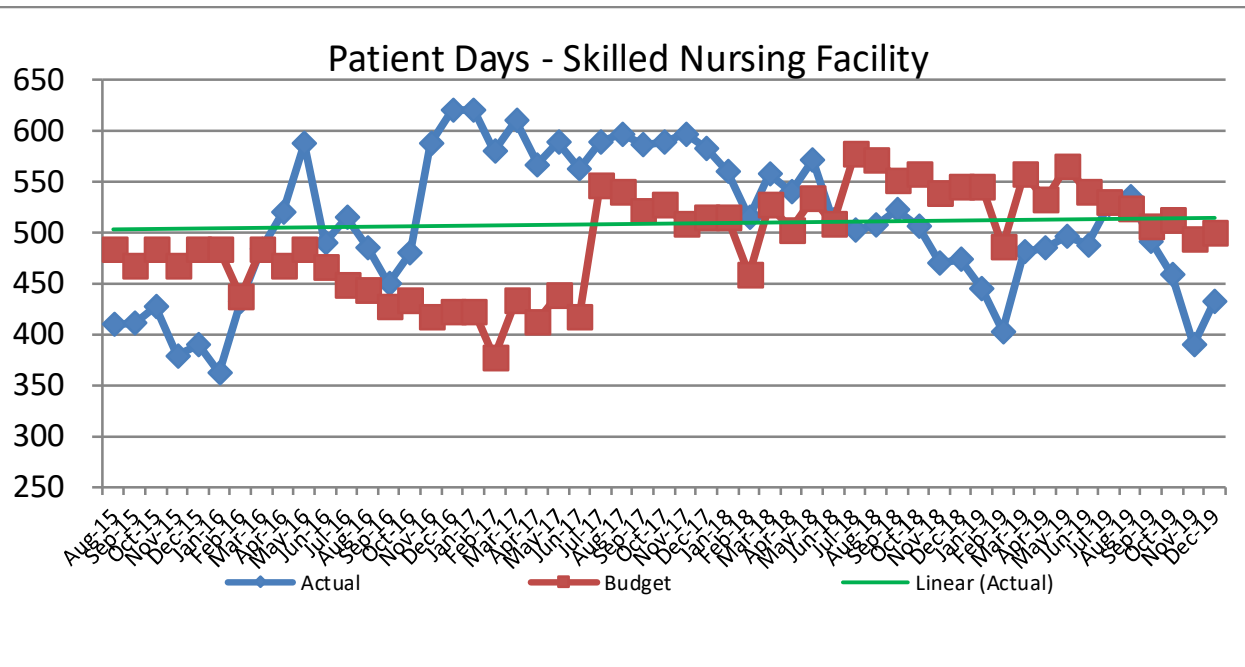


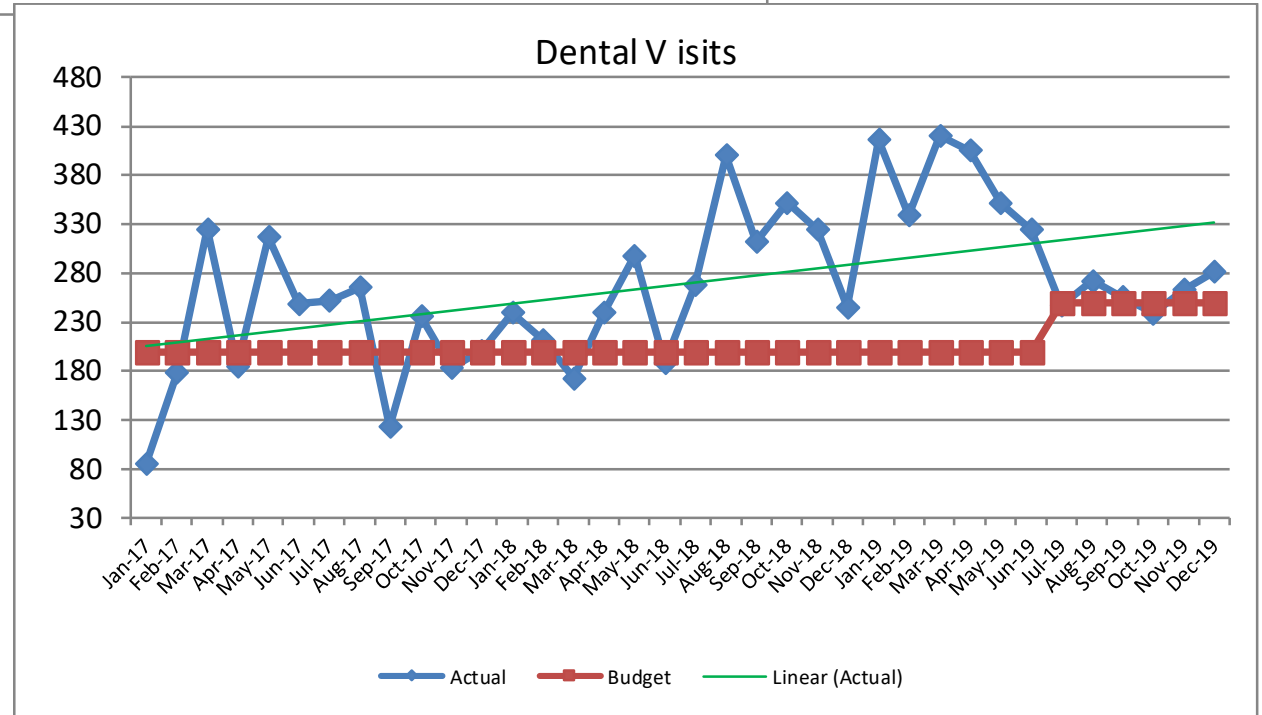
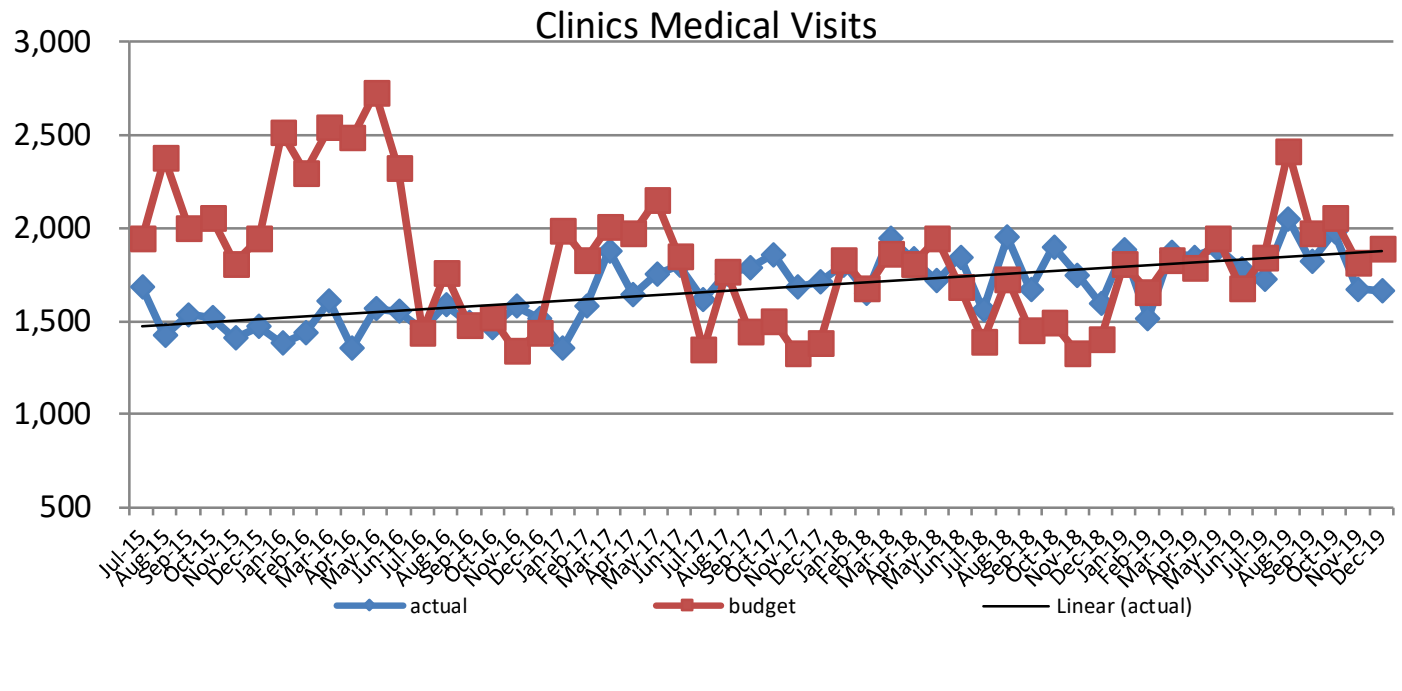
Patient Days - Acute

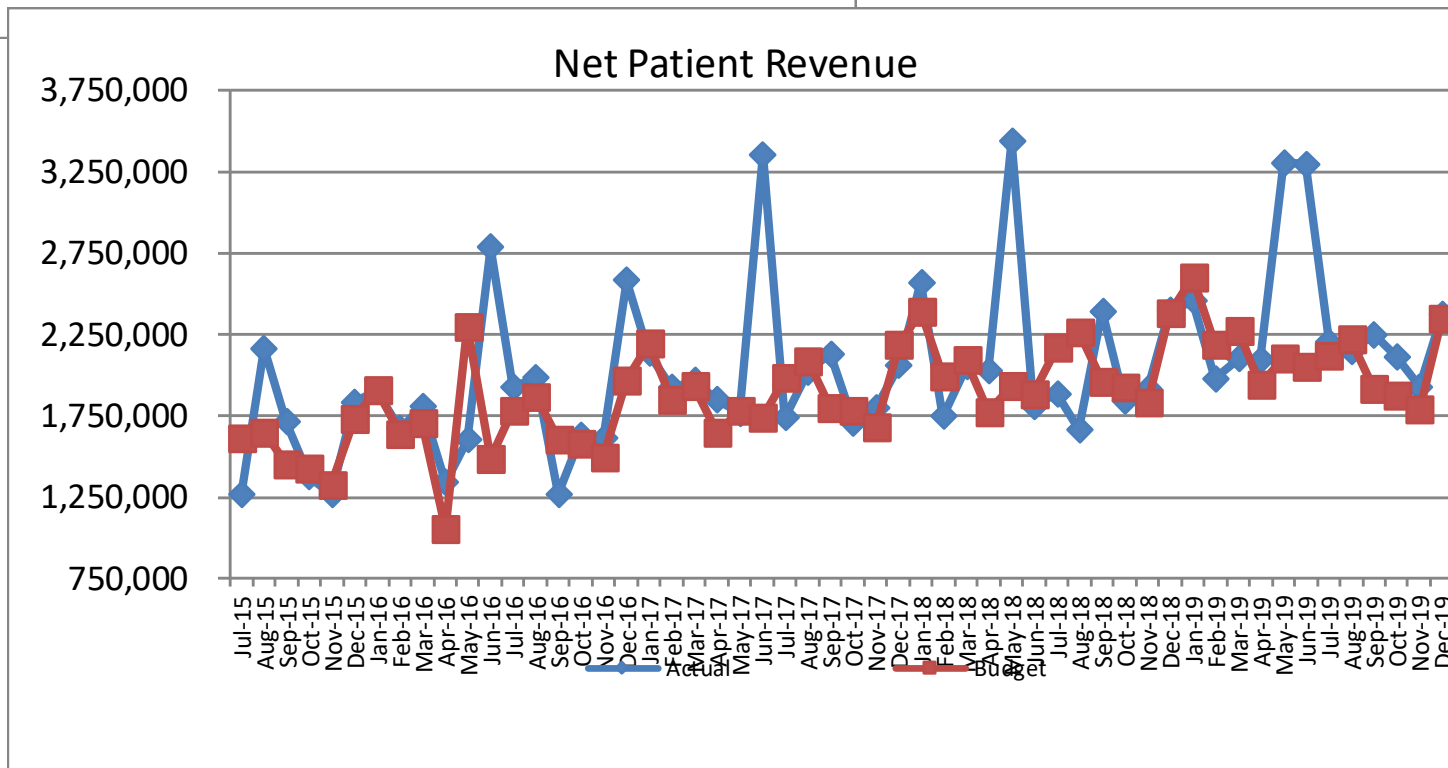
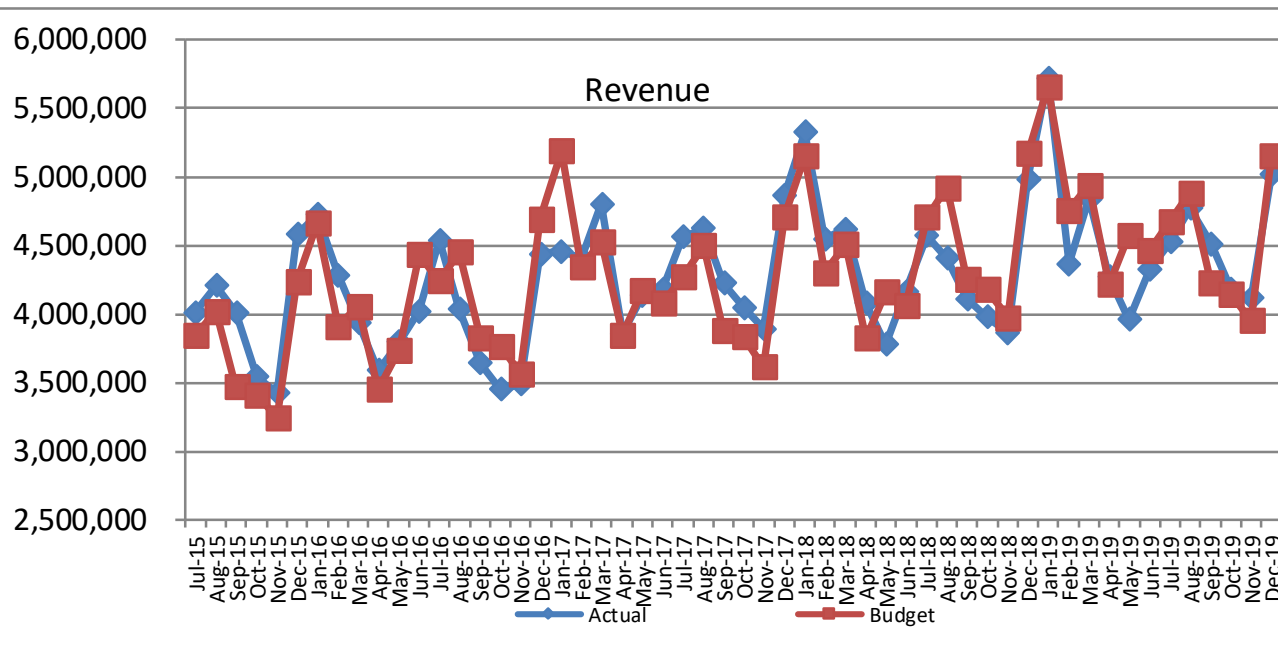


Patient Days - Swing

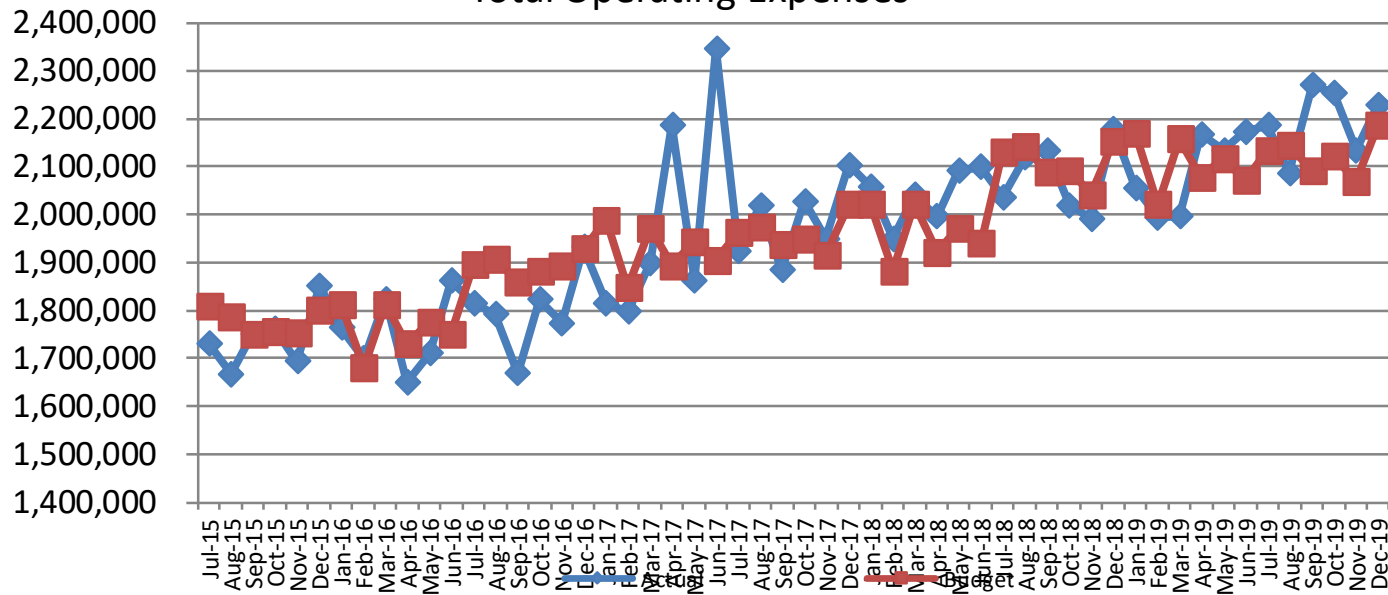




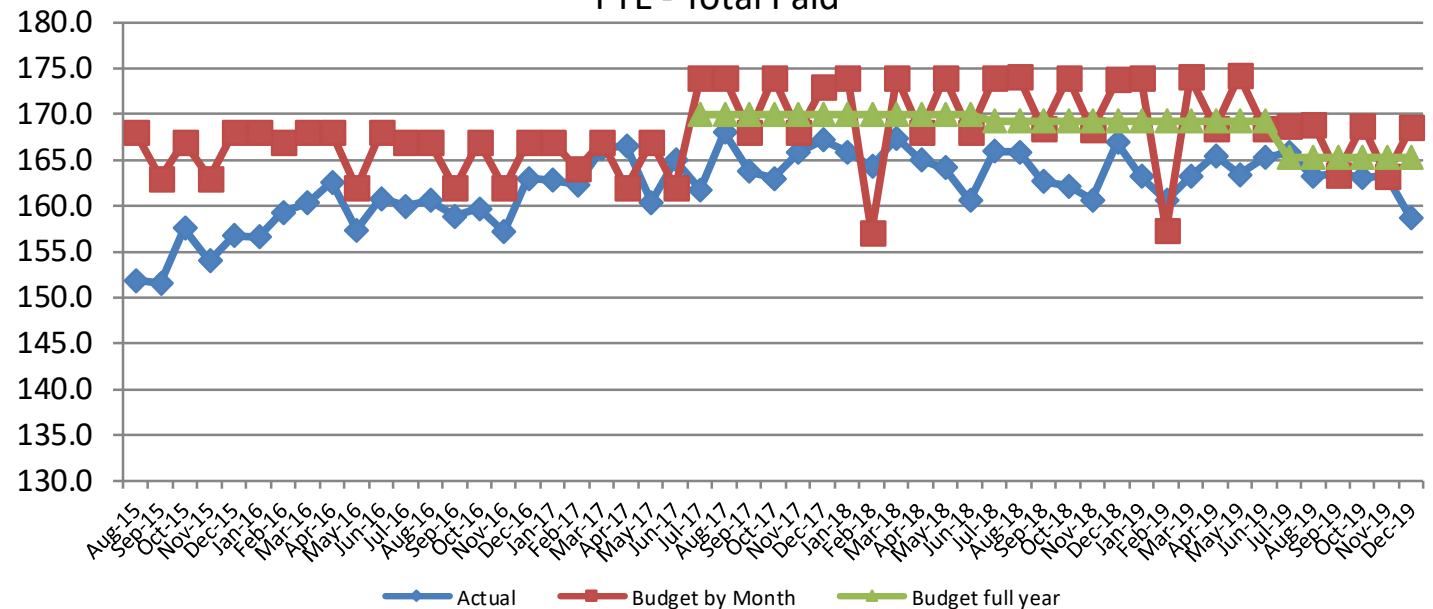




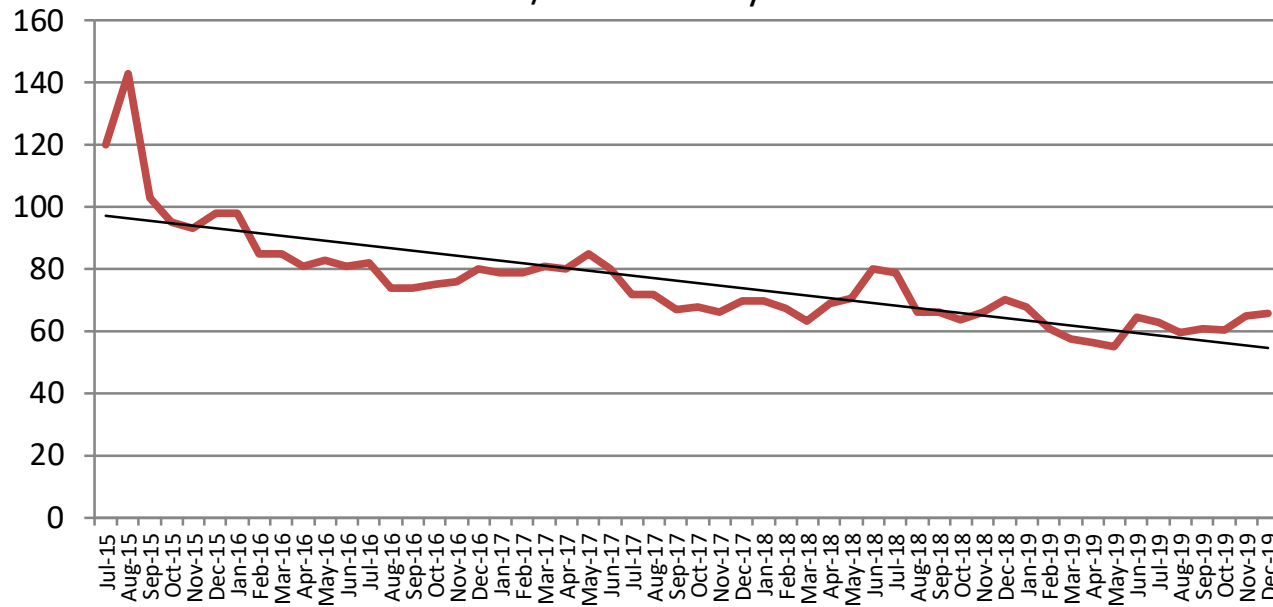
Total Operating Expenses



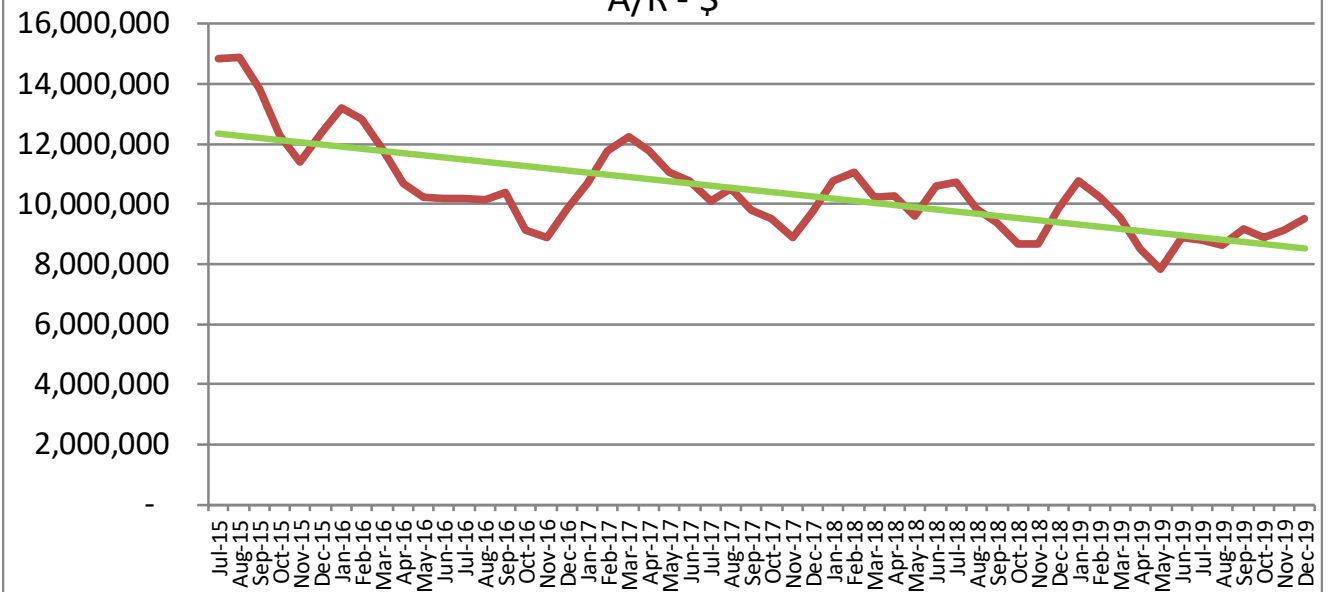
FTE - Total Paid



A/R - Gross Days



A/R - \$





December 2019 Financial Results

For the month . . .

Total Patient Revenue for December 2019 was \$5,018,492 - this was \$138,714 or 2.7% lower than budget. While lower than budget, total patient revenue for the month was \$902,091 more than the previous month (November 2019). Emergency Room revenue was 4.9% more than budget. Inpatient revenue was 12.5% higher than budget.

Revenue deductions of \$2,647,107 were lower than budget by 5.7%.

Total Operating Revenue of \$2,396,757 was \$42,154 or 1.7% lower than budget.

Total Expenses of \$2,229,691 were 2.0% higher than budget.

Our surplus for the month of December 2019 was \$586,082. This was \$8,732 higher than the budgeted amount for the month.

Our Operating Cash and Investments total \$29,734,578 as of the end of month. Total days cash on hand as of the end of December 2019 are 434.

Key Statistics

Acute patient days of 16 were about half the budgeted number of 31. Swing days of 45 were more than 2 times the budgeted number. Skilled Nursing Facility days of 432 were 145% lower than budget – our Average Daily Census was 13.9. ER Visits of 1,236 were 3.8% lower than budget. Clinics Medical visits were under budget while Dental visits were over budget.

FTE continue to run under budget.

Year To Date - Through the first 6 months of our Fiscal Year

Total Patient Revenue is 0.3% higher than budget

Total Operating Revenue is 3.2% higher than budget

Total Operating Expenses are 2.9% more than budget

Our Surplus of \$1,724,157 is \$202,700 more than budget, and \$554,157 more than the first 6 months of last year

Bear Valley Community Healthcare District
Financial Statements December, 2019

Financial Highlights—Hospital
STATEMENT OF OPERATIONS

| | A | B | C | D | E | F | G | H | I | J |
|-----------------------------------|---------------|-----------|-----------|-----------|--------|--------------|------------|------------|-----------|--------|
| | Current Month | | | | | Year-to-Date | | | | |
| | FY 17/18 | FY 18/19 | | VARIANCE | | FY 17/18 | FY 18/19 | | VARIANCE | |
| | Actual | Actual | Budget | Amount | % | Actual | Actual | Budget | Amount | % |
| 1 Total patient revenue | 4,986,477 | 5,018,492 | 5,157,206 | (138,714) | -2.7% | 25,923,624 | 27,123,276 | 27,039,568 | 83,708 | 0.3% |
| 2 Total revenue deductions | 2,588,523 | 2,647,107 | 2,807,021 | (159,914) | -5.7% | 13,813,777 | 14,098,152 | 14,753,664 | (655,512) | -4.4% |
| 3 % Deductions | 52% | 53% | 54% | | | 53% | 52% | 55% | | |
| 4 Net Patient Revenue | 2,397,954 | 2,371,385 | 2,350,185 | 21,200 | 0.9% | 12,109,847 | 13,025,124 | 12,285,904 | 739,220 | 6.0% |
| 5 % Net to Gross | 48% | 47% | 46% | | | 47% | 48% | 45% | | |
| 6 Other Revenue | 4,359 | 25,372 | 88,726 | (63,354) | -71.4% | 215,530 | 205,448 | 531,766 | (326,318) | -61.4% |
| 7 Total Operating Revenue | 2,402,313 | 2,396,757 | 2,438,911 | (42,154) | -1.7% | 12,325,377 | 13,230,572 | 12,817,670 | 412,902 | 3.2% |
| 8 Total Expenses | 2,176,983 | 2,229,691 | 2,186,757 | 42,934 | 2.0% | 12,477,620 | 13,111,959 | 12,747,394 | 364,565 | 2.9% |
| 9 % Expenses | 44% | 44% | 42% | | | 48% | 48% | 47% | | |
| 10 Surplus (Loss) from Operations | 225,330 | 167,066 | 252,154 | (85,088) | 33.7% | (152,243) | 118,613 | 70,275 | 48,337 | -68.8% |
| 11 % Operating margin | 5% | 3% | 5% | | | -1% | 0% | 0% | | |
| 12 Total Non-operating | 294,474 | 419,017 | 325,197 | 93,820 | 28.9% | 1,322,243 | 1,605,544 | 1,451,182 | 154,362 | 10.6% |
| 13 Surplus/(Loss) | 519,805 | 586,082 | 577,351 | 8,732 | -1.5% | 1,170,000 | 1,724,157 | 1,521,457 | 202,700 | -13.3% |
| 14 % Total margin | 10% | 12% | 11% | | | 5% | 6% | 6% | | |

BALANCE SHEET

| | A | B | C | D | E |
|--------------------------------------|------------|------------|------------|-----------|--------|
| | December | December | November | | |
| | FY 17/18 | FY 18/19 | FY 18/19 | VARIANCE | |
| | | | | Amount | % |
| 15 Gross Accounts Receivables | 8,675,554 | 9,512,758 | 9,129,843 | 382,915 | 4.2% |
| 16 Net Accounts Receivables | 2,990,625 | 3,014,176 | 2,852,276 | 161,900 | 5.7% |
| 17 % Net AR to Gross AR | 34% | 32% | 31% | | |
| 18 Days Gross AR | 66.0 | 65.7 | 64.9 | 0.8 | 1.2% |
| 19 Cash Collections | 1,642,959 | 1,981,049 | 1,500,891 | 480,158 | 32.0% |
| 20 Settlements/IGT Transactions | 204,278 | 159,520 | 57,346 | 102,174 | 178.2% |
| 21 Investments | 20,260,225 | 27,602,939 | 25,454,833 | 2,148,106 | 8.4% |
| 22 Cash on hand | 1,688,071 | 2,131,639 | 3,058,371 | (926,732) | -30.3% |
| 23 Total Cash & Invest | 21,948,296 | 29,734,578 | 28,513,204 | 1,221,374 | 4.3% |
| 24 Days Cash & Invest | 339 | 434 | 417 | 17 | 4.1% |
| Total Cash and Investments | 21,948,296 | 29,734,578 | | | |
| Increase Current Year vs. Prior Year | | 7,786,282 | | | |

Bear Valley Community Healthcare District
Financial Statements December, 2019

Statement of Operations

| | A | B | C | D | E | F | G | H | I | J |
|--|------------------|------------------|------------------|------------------|--------------|-------------------|-------------------|-------------------|------------------|---------------|
| | Current Month | | | | | Year-to-Date | | | | |
| | FY 17/18 | FY 18/19 | | VARIANCE | | FY 17/18 | FY 18/19 | | VARIANCE | |
| | Actual | Actual | Budget | Amount | % | Actual | Actual | Budget | Amount | % |
| Gross Patient Revenue | | | | | | | | | | |
| 1 Inpatient | 284,233 | 160,880 | 143,022 | 17,858 | 12.5% | 799,893 | 769,735 | 760,404 | 9,331 | 1.2% |
| 2 Outpatient | 765,170 | 714,674 | 910,564 | (195,890) | -21.5% | 5,256,697 | 5,033,404 | 5,298,504 | (265,099) | -5.0% |
| 3 Clinic Revenue | 339,847 | 338,589 | 410,336 | (71,747) | -17.5% | 2,239,262 | 2,247,229 | 2,516,846 | (269,617) | -10.7% |
| 4 Emergency Room | 3,383,606 | 3,636,063 | 3,466,260 | 169,803 | 4.9% | 16,289,624 | 17,814,284 | 17,116,317 | 697,967 | 4.1% |
| 5 Skilled Nursing Facility | 213,621 | 168,287 | 227,024 | (58,737) | -25.9% | 1,338,147 | 1,258,623 | 1,347,498 | (88,875) | -6.6% |
| 6 Total patient revenue | 4,986,477 | 5,018,492 | 5,157,206 | (138,714) | -2.7% | 25,923,624 | 27,123,276 | 27,039,568 | 83,708 | 0.3% |
| Revenue Deductions | | | | | | | | | | |
| 7 Contractual Allow | 2,406,874 | 2,425,259 | 2,497,033 | (71,774) | -2.9% | 12,880,266 | 13,413,076 | 13,128,375 | 284,701 | 2.2% |
| 8 Contractual Allow PY | (150,000) | (175,000) | - | (175,000) | #DIV/0! | (1,243,374) | (1,024,101) | - | (1,024,101) | #DIV/0! |
| 9 Charity Care | 4,625 | 38,889 | 13,854 | 25,035 | 180.7% | 80,630 | 96,123 | 72,638 | 23,485 | 32.3% |
| 10 Administrative | 26,102 | 68 | 16,882 | (16,814) | -99.6% | 44,449 | 23,065 | 88,513 | (65,448) | -73.9% |
| 11 Policy Discount | 9,975 | 16,444 | 15,085 | 1,359 | 9.0% | 78,951 | 87,336 | 79,091 | 8,245 | 10.4% |
| 12 Employee Discount | 5,688 | 2,568 | 6,307 | (3,739) | -59.3% | 36,321 | 25,125 | 33,069 | (7,944) | -24.0% |
| 13 Bad Debts | 198,143 | 253,297 | 257,860 | (4,563) | -1.8% | 1,211,634 | 1,043,844 | 1,351,978 | (308,134) | -22.8% |
| 14 Denials | 177,395 | 85,583 | - | 85,583 | #DIV/0! | 724,901 | 433,685 | - | 433,685 | #DIV/0! |
| 15 Total revenue deductions | 2,588,523 | 2,647,107 | 2,807,021 | (159,914) | -5.7% | 13,813,777 | 14,098,152 | 14,753,664 | (655,512) | -4.4% |
| 16 Net Patient Revenue | 2,397,954 | 2,371,385 | 2,350,185 | 21,200 | 0.9% | 12,109,847 | 13,025,124 | 12,285,904 | 739,220 | 6.0% |
| gross revenue including Prior Year Contractual Allowances as a percent to gross revenue WO PY and Other CA | 40.2% | 40.2% | | 40.2% | | 40.2% | 447.4% | 447.4% | 0.0% | |
| | 39.2% | 39.2% | | 39.2% | | 39.2% | 437.2% | 437.2% | 0.0% | |
| 17 Other Revenue | 4,359 | 25,372 | 88,726 | (63,354) | -71.4% | 215,530 | 205,448 | 531,766 | (326,318) | -61.4% |
| 18 Total Operating Revenue | 2,402,313 | 2,396,757 | 2,438,911 | (42,154) | -1.7% | 12,325,377 | 13,230,572 | 12,817,670 | 412,902 | 3.2% |
| Expenses | | | | | | | | | | |
| 19 Salaries | 945,048 | 914,346 | 886,673 | 27,673 | 3.1% | 5,269,800 | 5,470,712 | 5,269,316 | 201,396 | 3.8% |
| 20 Employee Benefits | 295,949 | 305,507 | 329,791 | (24,284) | -7.4% | 1,642,013 | 1,853,651 | 1,926,294 | (72,643) | -3.8% |
| 21 Registry | 29,974 | - | - | - | #DIV/0! | 29,974 | 5,100 | - | 5,100 | #DIV/0! |
| 22 Salaries and Benefits | 1,270,971 | 1,219,853 | 1,216,464 | 3,389 | 0.3% | 6,941,787 | 7,329,464 | 7,195,610 | 133,854 | 1.9% |
| 23 Professional fees | 169,550 | 174,740 | 216,812 | (42,072) | -19.4% | 1,047,087 | 1,056,064 | 1,173,642 | (117,578) | -10.0% |
| 24 Supplies | 136,723 | 177,659 | 150,192 | 27,467 | 18.3% | 797,752 | 986,975 | 849,799 | 137,176 | 16.1% |
| 25 Utilities | 42,170 | 36,316 | 46,171 | (9,855) | -21.3% | 256,370 | 257,141 | 273,222 | (16,081) | -5.9% |
| 26 Repairs and Maintenance | 42,197 | 77,722 | 47,756 | 29,966 | 62.7% | 182,400 | 345,715 | 285,938 | 59,777 | 20.9% |
| 27 Purchased Services | 320,095 | 342,734 | 326,453 | 16,281 | 5.0% | 2,217,686 | 1,936,881 | 1,872,514 | 64,367 | 3.4% |
| 28 Insurance | 28,560 | 31,653 | 30,917 | 736 | 2.4% | 170,008 | 189,641 | 185,502 | 4,139 | 2.2% |
| 29 Depreciation | 81,905 | 83,739 | 78,725 | 5,014 | 6.4% | 464,348 | 499,166 | 472,350 | 26,816 | 5.7% |
| 30 Rental and Leases | 11,158 | 15,541 | 12,370 | 3,171 | 25.6% | 67,624 | 73,289 | 74,220 | (931) | -1.3% |
| 32 Dues and Subscriptions | 10,898 | 6,272 | 6,488 | (216) | -3.3% | 38,090 | 36,048 | 38,928 | (2,880) | -7.4% |
| 33 Other Expense | 62,756 | 63,462 | 54,409 | 9,053 | 16.6% | 294,467 | 401,575 | 325,669 | 75,906 | 23.3% |
| 34 Total Expenses | 2,176,983 | 2,229,691 | 2,186,757 | 42,934 | 2.0% | 12,477,620 | 13,111,959 | 12,747,394 | 364,565 | 2.9% |
| 35 Surplus (Loss) from Operations | 225,330 | 167,066 | 252,154 | (85,088) | 33.7% | (152,243) | 118,613 | 70,275 | 48,337 | -68.8% |
| Non-Operating Income | | | | | | | | | | |
| 36 Tax Revenue | 184,244 | 201,917 | 201,917 | - | 0.0% | 1,105,464 | 1,211,502 | 1,211,502 | - | 0.0% |
| 37 Other non-operating | - | 75,040 | 5,750 | 69,290 | 1205.0% | 44,095 | 132,743 | 34,500 | 98,243 | 284.8% |
| Interest Income | 117,923 | 149,497 | 125,100 | 24,397 | 19.5% | 218,540 | 306,633 | 250,600 | 56,033 | 22.4% |
| Interest Expense | (7,693) | (7,438) | (7,570) | 132 | -1.7% | (45,856) | (45,333) | (45,420) | 87 | -0.2% |
| IGT Expense | - | - | - | - | #DIV/0! | - | - | - | - | #DIV/0! |
| 39 Total Non-operating | 294,474 | 419,017 | 325,197 | 93,820 | 28.9% | 1,322,243 | 1,605,544 | 1,451,182 | 154,362 | 10.6% |
| 40 Surplus/(Loss) | 519,805 | 586,082 | 577,351 | 8,732 | -1.5% | 1,170,000 | 1,724,157 | 1,521,457 | 202,700 | -13.3% |

**Bear Valley Community Healthcare District
Financial Statements**

Current Year Trending Statement of Operations

A Statement of Operations—CURRENT YEAR 2020

| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | |
|------------------------------|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------|---------|---------|---------|---------|---------|-------------------|
| | | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | YTD |
| Gross Patient Revenue | | | | | | | | | | | | | | |
| 1 | Inpatient | 132,376 | 109,683 | 117,618 | 135,332 | 113,846 | 160,880 | | | | | | | 769,735 |
| 2 | Outpatient | 852,704 | 893,759 | 883,248 | 900,575 | 788,445 | 714,674 | | | | | | | 5,033,404 |
| 3 | Clinic | 369,855 | 413,535 | 386,658 | 398,761 | 339,831 | 338,589 | | | | | | | 2,247,229 |
| 4 | Emergency Room | 2,937,844 | 3,116,633 | 2,904,860 | 2,531,862 | 2,687,022 | 3,636,063 | | | | | | | 17,814,284 |
| 5 | Skilled Nursing Facility | 234,536 | 237,879 | 218,184 | 212,481 | 187,257 | 168,287 | | | | | | | 1,258,623 |
| 6 | Total patient revenue | 4,527,315 | 4,771,490 | 4,510,568 | 4,179,010 | 4,116,401 | 5,018,492 | - | - | - | - | - | - | 27,123,276 |
| Revenue Deductions | | C/A | 0.45 | 0.53 | 0.47 | 0.48 | 0.56 | 0.48 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | 0.49 |
| 7 | Contractual Allow | 2,048,634 | 2,523,579 | 2,128,363 | 1,986,465 | 2,300,777 | 2,425,259 | | | | | | | 13,413,076 |
| 8 | Contractual Allow PY | (100,000) | (150,040) | (150,000) | (150,000) | (299,061) | (175,000) | | | | | | | (1,024,101) |
| 9 | Charity Care | 21,771 | 10,036 | 2,177 | 5,803 | 17,447 | 38,889 | | | | | | | 96,123 |
| 10 | Administrative | 9,113 | (337) | 5,344 | 3,687 | 5,190 | 68 | | | | | | | 23,065 |
| 11 | Policy Discount | 11,209 | 16,516 | 14,783 | 15,253 | 13,132 | 16,444 | | | | | | | 87,336 |
| 12 | Employee Discount | 7,850 | 3,870 | 1,620 | 6,914 | 2,302 | 2,568 | | | | | | | 25,125 |
| 13 | Bad Debts | 262,975 | 160,654 | 203,254 | 98,670 | 64,994 | 253,297 | | | | | | | 1,043,844 |
| 14 | Denials | 56,797 | 58,918 | 53,258 | 96,348 | 82,780 | 85,583 | | | | | | | 433,685 |
| 15 | Total revenue deductions | 2,318,349 | 2,623,196 | 2,258,799 | 2,063,140 | 2,187,561 | 2,647,107 | - | - | - | - | - | - | 14,098,152 |
| 16 | Net Patient Revenue | 2,208,966 | 2,148,293 | 2,251,769 | 2,115,870 | 1,928,841 | 2,371,385 | - | - | - | - | - | - | 13,025,124 |
| | net / tot pat rev | 48.8% | 45.0% | 49.9% | 50.6% | 46.9% | 47.3% | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | 48.0% |
| 17 | Other Revenue | 4,070 | 26,718 | 4,820 | 140,781 | 3,687 | 25,372 | | | | | | | 205,448 |
| 18 | Total Operating Revenue | 2,213,036 | 2,175,012 | 2,256,589 | 2,256,651 | 1,932,528 | 2,396,757 | - | - | - | - | - | - | 13,230,572 |
| Expenses | | | | | | | | | | | | | | |
| 19 | Salaries | 909,799 | 920,881 | 905,534 | 902,906 | 917,246 | 914,346 | | | | | | | 5,470,712 |
| 20 | Employee Benefits | 314,164 | 285,924 | 374,193 | 257,931 | 315,932 | 305,507 | | | | | | | 1,853,651 |
| 21 | Registry | - | - | - | 4,380 | 720 | - | | | | | | | 5,100 |
| 22 | Salaries and Benefits | 1,223,962 | 1,206,805 | 1,279,728 | 1,165,217 | 1,233,898 | 1,219,853 | - | - | - | - | - | - | 7,329,464 |
| 23 | Professional fees | 227,413 | 134,001 | 176,263 | 176,896 | 166,751 | 174,740 | | | | | | | 1,056,064 |
| 24 | Supplies | 157,037 | 146,720 | 158,949 | 174,312 | 172,298 | 177,659 | | | | | | | 986,975 |
| 25 | Utilities | 45,550 | 47,425 | 46,842 | 40,886 | 40,122 | 36,316 | | | | | | | 257,141 |
| 26 | Repairs and Maintenance | 38,865 | 29,353 | 29,812 | 135,968 | 33,995 | 77,722 | | | | | | | 345,715 |
| 27 | Purchased Services | 302,946 | 319,068 | 323,112 | 365,076 | 283,943 | 342,734 | | | | | | | 1,936,881 |
| 28 | Insurance | 32,000 | 31,410 | 31,548 | 31,515 | 31,515 | 31,653 | | | | | | | 189,641 |
| 29 | Depreciation | 82,105 | 82,105 | 83,739 | 83,739 | 83,739 | 83,739 | | | | | | | 499,166 |
| 30 | Rental and Leases | 12,010 | 11,891 | 12,918 | 10,463 | 10,466 | 15,541 | | | | | | | 73,289 |
| 32 | Dues and Subscriptions | 7,130 | 5,446 | 5,785 | 5,299 | 6,116 | 6,272 | | | | | | | 36,048 |
| 33 | Other Expense | 56,525 | 72,916 | 73,560 | 64,758 | 70,355 | 63,462 | | | | | | | 401,575 |
| 34 | Total Expenses | 2,185,543 | 2,087,141 | 2,222,256 | 2,254,129 | 2,133,199 | 2,229,691 | - | - | - | - | - | - | 13,111,959 |
| 35 | Surplus (Loss) from Operations | 27,492 | 87,870 | 34,333 | 2,522 | (200,671) | 167,066 | - | - | - | - | - | - | 118,613 |
| 36 | Non-Operating Income | | | | | | | | | | | | | |
| 37 | Tax Revenue | 201,917 | 201,917 | 201,917 | 201,917 | 201,917 | 201,917 | | | | | | | 1,211,502 |
| 38 | Other non-operating | 25,040 | 9,000 | 20 | 40 | 23,603 | 75,040 | | | | | | | 132,743 |
| | Interest Income | 300 | 286 | 156,148 | 212 | 190 | 149,497 | | | | | | | 306,633 |
| | Interest Expense | (7,711) | (7,590) | (7,541) | (7,540) | (7,513) | (7,438) | | | | | | | (45,333) |
| | IGT Expense | - | - | - | - | - | - | | | | | | | - |
| 39 | Total Non-operating | 219,546 | 203,612 | 350,544 | 194,629 | 218,196 | 419,017 | - | - | - | - | - | - | 1,605,544 |
| 40 | Surplus/(Loss) | 247,038 | 291,483 | 384,877 | 197,151 | 17,526 | 586,082 | - | - | - | - | - | - | 1,724,157 |

2019-20 Actual BS

BALANCE SHEET

Includes Final Entries 6-30-19

| BALANCE SHEET | | PY | | | | | | |
|---|--|------------|------------|------------|------------|------------|------------|------------|
| Includes Final Entries 6-30-19 | | July | Aug | Sept | Oct | Nov | Dec | June |
| ASSETS: | | | | | | | | |
| Current Assets | | | | | | | | |
| Cash and Cash Equivalents (Includes CD's) | | 2,992,558 | 3,178,108 | 3,141,519 | 2,853,286 | 3,058,371 | 2,131,639 | 2,406,940 |
| Gross Patient Accounts Receivable | | 8,667,951 | 8,621,871 | 9,149,724 | 8,858,810 | 9,128,887 | 9,511,803 | 8,792,362 |
| Less: Reserves for Allowances & Bad Debt | | 5,919,643 | 5,911,721 | 6,297,145 | 6,112,108 | 6,276,611 | 6,497,627 | 5,906,428 |
| Net Patient Accounts Receivable | | 2,748,308 | 2,710,149 | 2,852,579 | 2,746,702 | 2,852,276 | 3,014,176 | 2,885,934 |
| Tax Revenue Receivable | | 2,423,000 | 2,423,000 | 2,423,000 | 2,423,000 | 2,040,789 | 1,100,642 | 46,556 |
| Other Receivables | | 90,680 | 126,745 | 113,997 | 605,220 | -118,588 | -87,096 | 80,710 |
| Inventories | | 130,378 | 130,687 | 123,077 | 117,611 | 124,523 | 132,932 | 136,982 |
| Prepaid Expenses | | 420,319 | 422,235 | 425,830 | 473,165 | 415,216 | 397,410 | 406,467 |
| Due From Third Party Payers | | 0 | 0 | | | | | |
| Due From Affiliates/Related Organizations | | 0 | 0 | | | | | |
| Other Current Assets | | 0 | 0 | | | | | |
| Total Current Assets | | 8,805,242 | 8,990,924 | 9,080,003 | 9,218,984 | 8,372,587 | 6,689,703 | 5,963,589 |
| Assets Whose Use is Limited | | | | | | | | |
| Investments | | 25,298,992 | 25,298,992 | 25,454,833 | 25,454,833 | 25,454,833 | 27,602,939 | 25,298,992 |
| Other Limited Use Assets | | 144,375 | 144,375 | 144,375 | 144,375 | 144,375 | 144,375 | 144,375 |
| Total Limited Use Assets | | 25,443,367 | 25,443,367 | 25,599,208 | 25,599,208 | 25,599,208 | 27,747,314 | 25,443,367 |
| Property, Plant, and Equipment | | | | | | | | |
| Land and Land Improvements | | 570,615 | 570,615 | 570,615 | 570,615 | 570,615 | 570,615 | 570,615 |
| Building and Building Improvements | | 10,063,006 | 10,087,902 | 10,105,802 | 10,110,802 | 10,110,802 | 10,110,802 | 10,063,006 |
| Equipment | | 12,367,216 | 12,390,920 | 12,483,917 | 12,555,150 | 12,624,831 | 12,677,717 | 12,365,728 |
| Construction In Progress | | 220,454 | 221,354 | 221,354 | 221,886 | 221,886 | 233,163 | 220,454 |
| Capitalized Interest | | | | | | | | |
| Gross Property, Plant, and Equipment | | 23,221,290 | 23,270,791 | 23,381,687 | 23,458,453 | 23,528,134 | 23,592,297 | 23,219,802 |
| Less: Accumulated Depreciation | | 14,657,536 | 14,739,641 | 14,823,380 | 14,907,119 | 14,990,857 | 15,074,596 | 14,575,430 |
| Net Property, Plant, and Equipment | | 8,563,754 | 8,531,150 | 8,558,308 | 8,551,334 | 8,537,277 | 8,517,700 | 8,644,372 |
| TOTAL UNRESTRICTED ASSETS | | 42,812,363 | 42,965,441 | 43,237,518 | 43,369,526 | 42,509,072 | 42,954,717 | 40,051,328 |
| Restricted Assets | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | | 42,812,363 | 42,965,441 | 43,237,518 | 43,369,526 | 42,509,072 | 42,954,717 | 40,051,328 |

2019-20 Actual BS

BALANCE SHEET

Includes Final Entries 6-30-19

LIABILITIES:

| | July | Aug | Sept | Oct | Nov | Dec | PY June |
|--|------------|------------|------------|------------|------------|------------|------------|
| Current Liabilities | | | | | | | |
| Accounts Payable | 1,109,879 | 948,094 | 1,080,601 | 1,024,845 | 1,022,614 | 968,794 | 922,125 |
| Notes and Loans Payable | | | | | | | |
| Accrued Payroll | 814,113 | 894,578 | 1,021,042 | 1,105,147 | 666,489 | 886,860 | 733,342 |
| Patient Refunds Payable | | | | | | | |
| Due to Third Party Payers (Settlements) | 3,279,267 | 3,416,509 | 3,287,677 | 3,388,603 | 3,145,949 | 3,118,768 | 3,311,092 |
| Advances From Third Party Payers | | | | | | | |
| Current Portion of Def Rev - Txs, | 2,256,083 | 2,054,166 | 1,852,249 | 1,655,332 | 1,453,415 | 1,251,498 | 35,000 |
| Current Portion - LT Debt | 35,000 | 35,000 | 35,000 | 40,000 | 40,000 | 40,000 | 35,000 |
| Current Portion of AB915 | | | | | | | |
| Other Current Liabilities (Accrued Interest & Accrued Other) | 15,339 | 22,930 | 30,471 | 37,971 | 45,451 | 7,560 | 7,689 |
| Total Current Liabilities | 7,509,682 | 7,371,277 | 7,307,040 | 7,251,897 | 6,373,917 | 6,273,481 | 5,044,247 |
| Long Term Debt | | | | | | | |
| USDA Loan | 2,860,000 | 2,860,000 | 2,860,000 | 2,855,000 | 2,855,000 | 2,815,000 | 2,860,000 |
| Leases Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less: Current Portion Of Long Term Debt | 35,000 | 35,000 | 35,000 | 40,000 | 40,000 | 40,000 | 35,000 |
| Total Long Term Debt (Net of Current) | 2,825,000 | 2,825,000 | 2,825,000 | 2,815,000 | 2,815,000 | 2,775,000 | 2,825,000 |
| Other Long Term Liabilities | | | | | | | |
| Deferred Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | | |
| Total Other Long Term Liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL LIABILITIES | 10,334,682 | 10,196,277 | 10,132,040 | 10,066,897 | 9,188,917 | 9,048,481 | 7,869,248 |
| Fund Balance | | | | | | | |
| Unrestricted Fund Balance | 32,230,643 | 32,230,643 | 32,182,080 | 32,182,080 | 32,182,080 | 32,182,080 | 24,871,960 |
| Temporarily Restricted Fund Balance | 0 | 0 | | | | 0 | |
| Equity Transfer from FRHG | 0 | 0 | | | | 0 | |
| Net Revenue/(Expenses) | 247,038 | 538,521 | 923,398 | 1,120,549 | 1,138,075 | 1,724,157 | 7,310,120 |
| TOTAL FUND BALANCE | 32,477,681 | 32,769,164 | 33,105,478 | 33,302,629 | 33,320,154 | 33,906,237 | 32,182,080 |
| TOTAL LIABILITIES & FUND BALANCE | 42,812,363 | 42,965,441 | 43,237,518 | 43,369,526 | 42,509,072 | 42,954,717 | 40,051,328 |

| Units of Service | | | | | | | | | | | | |
|--|--------|--------|----------------|--------|-----------|--------------------------------|--------|--------|----------------|---------|-----------|---------|
| For the period ending: December 31, 2019 | | | | | | | | | | | | |
| 31 | | | | | | 184 | | | | | | |
| Current Month | | | | | | Bear Valley Community Hospital | | | | | | |
| Dec-19 | | Dec-18 | Actual -Budget | | Act.-Act. | Dec-19 | | Dec-18 | Actual -Budget | | Act.-Act. | |
| Actual | Budget | Actual | Variance | Var % | Var % | Actual | Budget | Actual | Variance | Var % | Var % | |
| 16 | 31 | 56 | (15) | -48.4% | -71.4% | Med Surg Patient Days | 197 | 158 | 152 | 39 | 24.7% | 29.6% |
| 45 | 19 | 33 | 26 | 136.8% | 36.4% | Swing Patient Days | 110 | 100 | 91 | 10 | 10.0% | 20.9% |
| 432 | 500 | 474 | (68) | -13.6% | -8.9% | SNF Patient Days | 2,835 | 3,066 | 2,981 | (231) | -7.5% | -4.9% |
| 493 | 550 | 563 | (57) | -10.4% | -12.4% | Total Patient Days | 3,142 | 3,324 | 3,224 | (182) | -5.5% | -2.5% |
| 10 | 14 | 21 | (4) | -28.6% | -52.4% | Acute Admissions | 48 | 84 | 66 | (36) | -42.9% | -27.3% |
| 6 | 14 | 20 | (8) | -57.1% | -70.0% | Acute Discharges | 45 | 84 | 65 | (39) | -46.4% | -30.8% |
| 2.7 | 2.2 | 2.8 | 0.5 | 20.4% | -4.8% | Acute Average Length of Stay | 4.4 | 1.9 | 2.3 | 2.5 | 132.7% | 87.2% |
| 0.5 | 1.0 | 1.8 | (0.5) | -48.4% | -71.4% | Acute Average Daily Census | 1.1 | 1 | 0.8 | 0.2 | 24.7% | 29.6% |
| 15.4 | 16.7 | 16.4 | (1.4) | -8.1% | -5.9% | SNF/Swing Avg Daily Census | 16.0 | 17 | 16.7 | (1.2) | -7.0% | -4.1% |
| 15.9 | 17.7 | 18.2 | (1.8) | -10.4% | -12.4% | Total Avg. Daily Census | 17.1 | 18 | 17.5 | (1.0) | -5.5% | -2.5% |
| 35% | 39% | 40% | -4% | -10.4% | -12.4% | % Occupancy | 38% | 40% | 39% | -2% | -5.5% | -2.5% |
| 6 | 13 | 13 | (7) | -53.8% | -53.8% | Emergency Room Admitted | 32 | 78 | 51 | (46) | -59.0% | -37.3% |
| 1,230 | 1,272 | 5,770 | (42) | -3.3% | -78.7% | Emergency Room Discharged | 5,844 | 6,075 | 5,770 | (231) | -3.8% | 1.3% |
| 1,236 | 1,285 | 5,783 | (49) | -3.8% | -78.6% | Emergency Room Total | 5,876 | 6,153 | 5,821 | (277) | -4.5% | 0.9% |
| 40 | 41 | 187 | (2) | -3.8% | -78.6% | ER visits per calendar day | 32 | 33 | 32 | (2) | -4.5% | 0.9% |
| 60% | 93% | 62% | 57% | 61.5% | -3.1% | % Admits from ER | 67% | 93% | 77% | 78% | 84.3% | -13.7% |
| - | - | - | - | 0.0% | #DIV/0! | Surgical Procedures I/P | 1 | - | - | 1 | 0.0% | #DIV/0! |
| 15 | 12 | 12 | 3 | 25.0% | 25.0% | Surgical Procedures O/P | 56 | 76 | 77 | (20) | -26.3% | -27.3% |
| 15 | 12 | 12 | 3 | 25.0% | 25.0% | TOTAL Procedures | 57 | 76 | 77 | (19) | -25.0% | -26.0% |
| 826 | 1,047 | 751 | (221) | -21.1% | 10.0% | Surgical Minutes Total | 4,838 | 6,214 | 4,018 | (1,376) | -22.1% | 20.4% |

Units of Service
For the period ending: December 31, 2019

| Current Month | | | | | | Bear Valley Community Hospital | | | Year-To-Date | | | |
|---------------|--------|--------|----------------|---------|-----------|--------------------------------|--------|--------|--------------|----------------|--------|-----------|
| Dec-19 | | Dec-18 | Actual -Budget | | Act.-Act. | | Dec-19 | | Dec-18 | Actual -Budget | | Act.-Act. |
| Actual | Budget | Actual | Variance | Var % | Var % | | Actual | Budget | Actual | Variance | Var % | Var % |
| 5,955 | 5,742 | 5,742 | 213 | 3.7% | 3.7% | Lab Procedures | 38,407 | 36,823 | 4,919 | 1,584 | 4.3% | 680.8% |
| 999 | 1,043 | 1,039 | (44) | -4.2% | -3.8% | X-Ray Procedures | 4,909 | 5,072 | 4,178 | (163) | -3.2% | 17.5% |
| 378 | 350 | 336 | 28 | 8.0% | 12.5% | C.T. Scan Procedures | 1,907 | 1,635 | 1,664 | 272 | 16.6% | 14.6% |
| 170 | 180 | 163 | (10) | -5.6% | 4.3% | Ultrasound Procedures | 1,202 | 1,252 | 1,289 | (50) | -4.0% | -6.7% |
| 43 | 62 | 36 | (19) | -30.6% | 19.4% | Mammography Procedures | 323 | 372 | 328 | (49) | -13.2% | -1.5% |
| 353 | 288 | 262 | 65 | 22.6% | 34.7% | EKG Procedures | 1,760 | 1,658 | 1,537 | 102 | 6.2% | 14.5% |
| 146 | 135 | 107 | 11 | 8.1% | 36.4% | Respiratory Procedures | 643 | 584 | 588 | 59 | 10.1% | 9.4% |
| 1,052 | 1,078 | 1,176 | (26) | -2.4% | -10.5% | Physical Therapy Procedures | 9,111 | 8,484 | 8,357 | 627 | 7.4% | 9.0% |
| 1,665 | 1,892 | 1,593 | (227) | -12.0% | 4.5% | Primary Care Clinic Visits | 10,911 | 11,995 | 10,418 | (1,084) | -9.0% | 4.7% |
| 281 | 250 | 245 | 31 | 12.4% | 14.7% | Specialty Clinic Visits | 1,558 | 1,500 | 1,901 | 58 | 3.9% | -18.0% |
| 1,946 | 2,142 | 1,838 | (196) | -9.2% | 5.9% | Clinic | 12,469 | 13,495 | 12,319 | (1,026) | -7.6% | 1.2% |
| 75 | 82 | 71 | (8) | -9.2% | 5.9% | Clinic visits per work day | 69 | 74 | 68 | (6) | -7.6% | 1.2% |
| 15.5% | 20.00% | 16.70% | -4.50% | -22.50% | -7.19% | % Medicare Revenue | 18.48% | 20.00% | 19.37% | -1.52% | -7.58% | -4.56% |
| 33.30% | 39.00% | 34.20% | -5.70% | -14.62% | -2.63% | % Medi-Cal Revenue | 38.48% | 39.00% | 37.57% | -0.52% | -1.32% | 2.44% |
| 45.00% | 36.00% | 42.90% | 9.00% | 25.00% | 4.90% | % Insurance Revenue | 38.47% | 36.00% | 37.95% | 2.47% | 6.85% | 1.36% |
| 6.20% | 5.00% | 6.20% | 1.20% | 24.00% | 0.00% | % Self-Pay Revenue | 4.57% | 5.00% | 5.12% | -0.43% | -8.67% | -10.75% |
| 140.2 | 152.0 | 150.6 | (11.9) | -7.8% | -6.9% | Productive FTE's | 144.13 | 150.4 | 142.9 | (6.3) | -4.2% | 0.8% |
| 158.7 | 168.6 | 164.1 | (9.9) | -5.9% | -3.3% | Total FTE's | 162.95 | 167.0 | 164.1 | (4.0) | -2.4% | -0.7% |



CFO REPORT for

February 2020 Finance Committee and Board Meetings

FY 2021 (July 1, 2020 through June 30, 2021) Budget Preparation Plan

Attached is a plan for budget preparation over the next several months.

District Credit Card – Limit

The limit on the district credit card was established in 1999 at \$5,000. There are times when we need to make purchases of large amounts or when a number of purchases combine to near the limit purchases need to be delayed until payment is made. We propose that the limit be raised to as much as \$10,00.

Purchasing Assessment by QHR

Two consultants from Quorum Health Resources were on-site on January 27 and 28th to work with our new Purchasing Coordinator.

CMS Proposed Rule

CMS has proposed a rule regarding Medicaid (the Medicaid Fiscal Accountability Regulation – MFAR). The proposal would impact virtually every state. Concerns are that - The proposed changes would have a devastating effect on the health care safety net in California and on the lives of many patients. State flexibility in funding the non-federal share of Medicaid is essential in making the Medi-Cal program work. Without it, the Medi-Cal program would not be able to provide coverage to 13 million Californians. A concern is CMS should not adopt a one-size-fits-all approach and restrict the legitimate use of local governmental funds, health-care related taxes, or provider-related donations in a manner that gives the agency unrestrained authority, using overly broad standards that could lead to arbitrary decisions and an uneven application across state Medicaid programs.

Pricing Transparency Issue – Update

We continue to monitor the issue of Pricing Transparency. Originally this was scheduled to be in place by January 2020. During the fall the effective date was moved to January 2021. I have included some key points from a recent presentation by QHR relative to this topic.

The Call from President Trump:

“Hospitals will be required to publish prices that reflect what people actually pay for services in a way that is clear, straightforward and accessible to all, and you will be able to price it among many different potential providers, and you will get great pricing. Prices will come down by numbers that you wouldn’t believe... and the cost of healthcare will go way, way down.” “We should also require drug companies, insurance companies, and hospitals to disclose real prices to foster competition and bring costs down.”

In November 2019, following the publishing of final regulations the effective date was changed to January 2021

“The Administration had previously proposed plans to force only hospitals to reveal pricing information. This goes one step further and requires the same information from insurers.” – CMS Administrator Seema Verma

Definition of Shoppable Services

- A service that can be scheduled in advance.
- Commonly provided by the hospital to its patient population.
- Includes all ancillary/supporting services associated with the designated primary shoppable service.
- Minimum of 300 Shoppable Services, 70 of which are specified by CMS Regulation. If hospital does not provide one or more of the 70 noted by CMS, the hospital must select additional shoppable services required to meet the total 300 minimum threshold

Definition of “Standard Charges”

- The Gross Charge (the charge for an individual item or service that is reflected on a hospital’s chargemaster).

- The discounted cash price (the charge that applies to an individual who pays cash for a hospital item or service).
- The Payer-specific negotiated charge (the charge that a hospital has negotiated with a third-party payer for an item or service).
- The de-identified minimum negotiated charges (the lowest charge that hospital has negotiated with all third-party payers).
- The de-identified maximum negotiated charges (the highest charge that a hospital has negotiated with all third-party payers)



FY 2021 (July 1, 2020 through June 30, 2021)

BUDGET PREPARATION CALENDAR

| | |
|---------------------------|--|
| Feb 19, 2020 | Budget Packets / Details to Managers |
| Feb 21, 2020 | Capital Budget Requests due to Accounting |
| Mar 16, 2020 | Managers - budgets due to Accounting |
| Mar 31, 2020 | Accounting – complete input & review of budgets |
| Apr 01 through 10, 2020 | meetings with Managers |
| Apr 07, 2020 | regular Finance Committee - begin review of Capital Budget requests |
| April 11 through 24, 2020 | – Budget Review by Admin Team |
| May 05, 2020 | regular Finance Committee - Include budget work |
| May 2020 | additional review by Finance Committee as needed for final review, recommendation |
| June 02, 2020 | Regular Finance Committee including review of Budget for Submission to full Board of Directors for approval |
| June 10, 2020 | Regular Board of Directors meeting including approval of FY 2021 Budget including 3 year Capital Budget Plan |